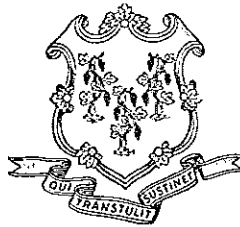


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Senator Martin M. Looney

Senate President Pro Tempore

Senate Bill 503

Transportation Committee

February 10, 2015

Good afternoon Senator Maynard, Senator Leone, Representative Geurrera and members of the Transportation Committee. I am here to testify in support of SB 503 AN ACT LIMITING AUTOMOBILE DEALER CONVEYANCE FEES. It has come to my attention that although the process by which a dealer conveys an automobile to a purchaser has become less burdensome with the use of electronic filing, the fee charged for this service has not diminished and there is no current statutory limit on them.

Section 14-62 defines these fees as "a fee charged by a dealer to recover reasonable costs for processing all documentation and performing services related to the closing of a sale, including but not limited to, the registration and transfer of ownership of the motor vehicle which is the subject of the sale." The Connecticut Supreme Court held in Small v. Going Forward

Inc.¹ that the word “reasonable” places no limitation on the fees; I believe that this interpretation of the statute is incorrect. I agree with the dissent in that case which would have held that the intent of the statute is to require these fees to be reasonable.

A number of other states place limits these fees generally ranging from \$27 to \$250 while other states cap the fees at a percentage of the purchase price of the automobile. SB 503 would limit the fee to \$75 which is the current law New York, Minnesota, and Oregon. Several other bills on the agenda today would also create limits on these fees including one that would ban the fees altogether. I would be glad to work with you to create a fair solution on this matter. Thank you for hearing these important consumer protection bills.

¹ See *Small v. Going Forward, Inc.*
281 Conn. 417; 915 A.2d 298 (2007)